Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Secret

DIRECTORATE OF
INTELLIGENCE

Intelligence Memorandum

Foreign Shipping to North Vietnam in July 1967

Secret

COPY NO. 136

RR IM 67-55
AUGUST 1967

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

25X1

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Foreword

The data in this memorandum are preliminary and subject to modification as additional information becomes available. Significant changes may occur in data on ship arrivals and cargoes from Communist China and, to a lesser extent, in data on cargoes carried by ships of the Free World. Data on Soviet and Eastern European ship arrivals and cargoes and on Free World arrivals are not likely to be changed significantly. To reflect these changes a table showing monthly arrivals by flag is included in this memorandum. All data on cargoes carried are expressed in metric tons.

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence

INTELLIGENCE MEMORANDUM

Foreign Shipping to North Vietnam in July 1967

Summary

Continued heavy congestion at Haiphong was apparently the cause of a sharp curtailment of foreign ship arrivals at North Vietnam in July. Identified seaborne deliveries of all major imports fell below the monthly averages for January-June (see Figure 1), and identified exports declined to the lowest volume in at least 31 months. Fewer calls by Soviet and Chinese Communist ships accounted for most of the decline in ship arrivals, as shown in the tabulation below:

Flag	June	July	Monthly Average January-June
Total	34	22	38.7
Communist countries	23	17	32.2
USSR	8	10	17.8
Eastern Europe	4	2	3.5
Communist China	11	5	10.7
Cuba	0	0	0.2
Free World	11	5	6.5
United Kingdom	9	5	5.3
Other	2	0	1.2

Note: This memorandum was produced by CIA. It was prepared by the Office of Economic Research and was coordinated with the Office of Strategic Research; the estimates and conclusions represent the best judgment of the Directorate of Intelligence as of 23 August 1967.

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

The full utilization of existing storage capacity is probably responsible for the drop in petroleum deliveries in June and July and for exceptional delays in discharging tankers. Petroleum imports averaged 12,900 tons in June and July, compared with 26,200 tons in the period January-May. Imports of foodstuffs, although lower than in recent months, remained well above the 1966 level. Identified deliveries in July included the first large import of cement (2,000 tons), which was a major export until the airstrike on the Haiphong cement plant last April. No shipments of arms or ammunition were detected.

Freighters departing from Haiphong in July had been in port an average of 25 days, and longer average stays will probably be recorded for those leaving in August. However, the low volume of imports and ship arrivals in July should permit a significant reduction in the backlog of ships at Haiphong during August, with a later favorable effect on the average time spent in port. To alleviate a shortage of lighters that has slowed the discharge of cargoes, North Vietnam has ordered about 200 barges from Communist countries for 1967 delivery. At least 90 had arrived by the end of July.

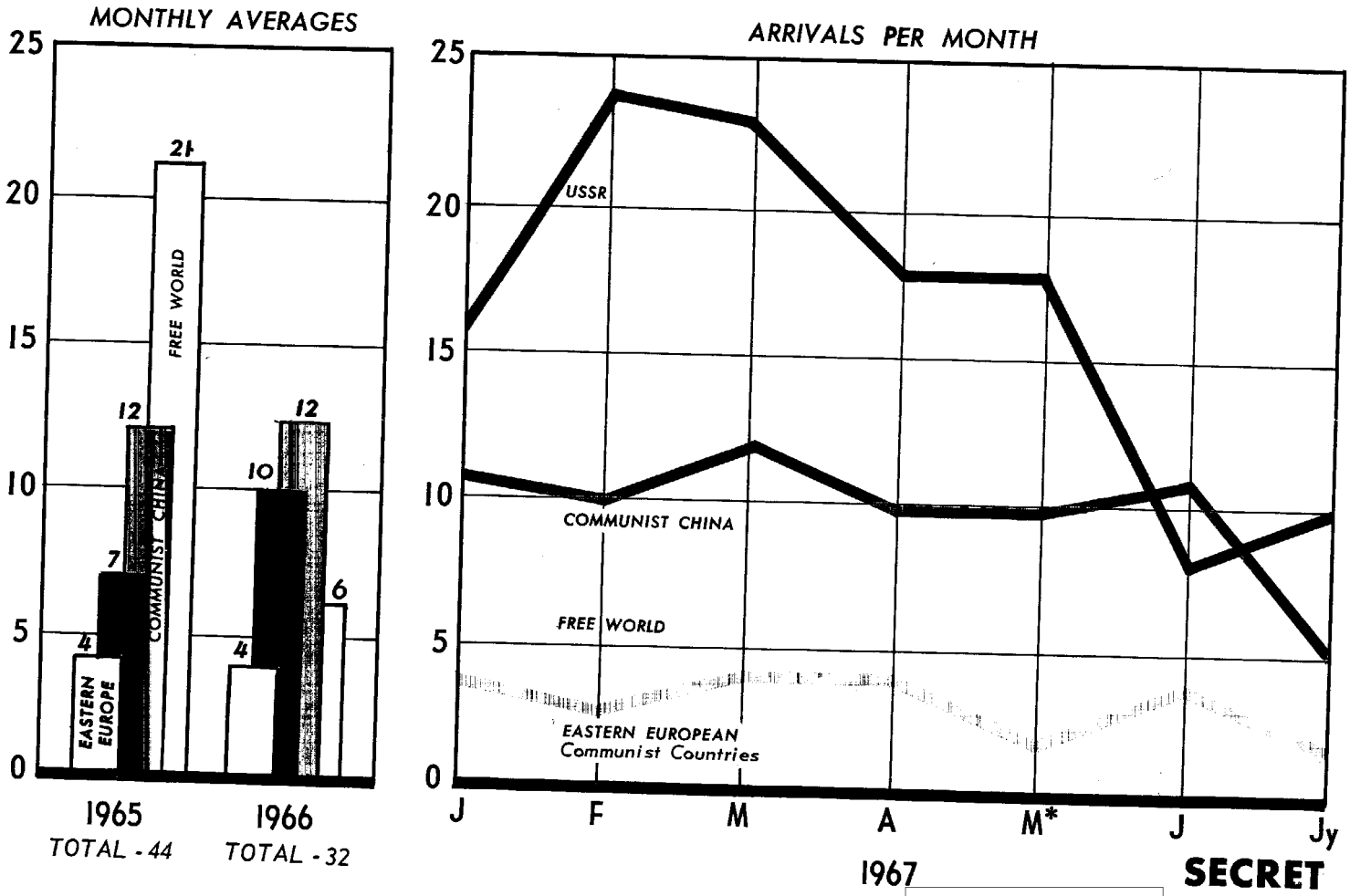
Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

SECRET

Figure 1

North Vietnam: Foreign Ship Arrivals



67695 8-67 CIA

*Excluding One Cuban Ship

25X1

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

The Situation at Haiphong

1. Haiphong remained heavily congested in July. The average time in port for dry cargo ships departing from Haiphong was 25 days, compared with 22 days in June and 13 days in 1966. Because of past backlogs, even longer average stays may be recorded by ships leaving in August. At the same time, the exceptionally small volume of incoming cargo during July has probably enabled port workers to reduce significantly the backlog of cargoes to be offloaded, with a later favorable effect on the average time spent in port. Possible evidence of this is that ship departures from North Vietnam in July exceeded ship arrivals (by one) for the first time since last March.* Unless seaborne deliveries should be unexpectedly heavy in August, the backlog of ships in port probably will be reduced significantly.

2. The congestion at Haiphong is believed primarily to be the result of the record high volume of seaborne imports in the period March-June,** and a lack of sufficient lighters to cope with the increased volume.*** With only seven berths available for offloading seagoing freighters at pierside, but with ready access to two principal inland waterways, Haiphong port authorities have made extensive use of lighters in discharging cargoes from ships at anchorages. Frequent complaints have been heard, however, that offloading at Haiphong in recent months has been slowed by a shortage of lighters. Furthermore, on several

* In the period 1 January-31 July 1967, ship arrivals at North Vietnam exceeded ship departures by 13.

** The monthly volume of identified seaborne imports averaged 142,900 tons in the period March-June 1967, compared with 77,100 tons in 1966.

*** Intermittent interdictions of the rail line from Haiphong in the period March-July are not believed to have contributed significantly to the backup of cargoes at Haiphong port.

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

occasions in the period May-July North Vietnam employed foreign merchant ships in lightering service to reduce the drafts* of heavily loaded ships (both tankers and dry cargo ships) at deep water anchorages in Ha Long Bay (see Figure 2). This may have been done because of shortages of lighters, to avoid exposing lighters to air attack in coastal waters, or for both reasons. Because of heavy losses of barges and an increasing need for their services, North Vietnam is importing more than 200 lightering craft in 1967 (see the Appendix).

Communist Shipping

3. Ten Soviet ships called at North Vietnam in July, nearly eight fewer than the monthly average for January-June 1967. The decline in arrivals resulted from fewer Soviet shipments of both dry cargoes and bulk petroleum, the former probably because of congestion at Haiphong and the latter probably because existing storage capacity was fully utilized (see paragraph 12). To a lesser extent, the closure of the Suez Canal was also a cause. These changes are reflected in the tabulation below:

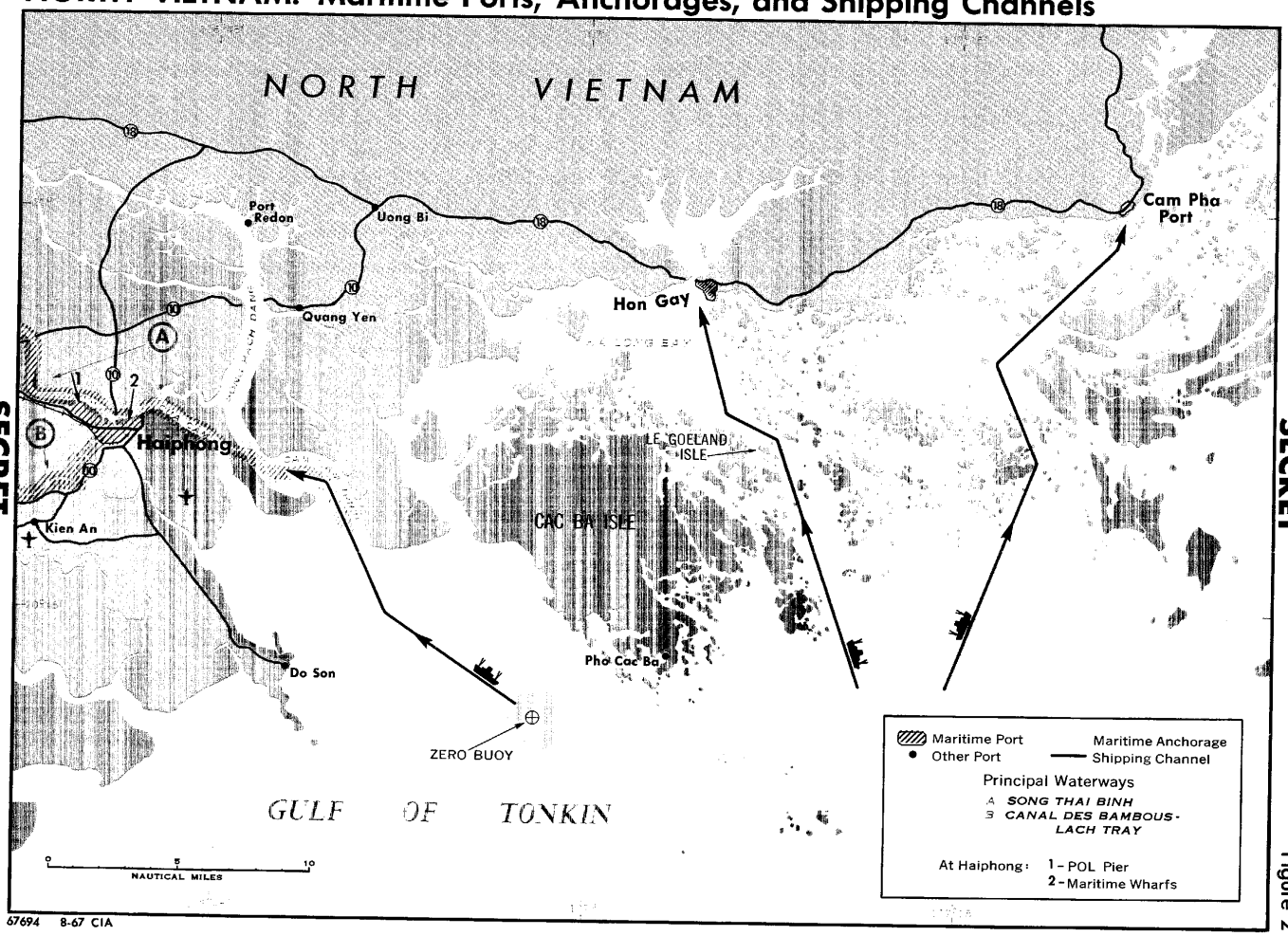
	Monthly Average January-June	July	Decrease
Total	17.8	10	7.8
Tankers	4.0	1	3.0
Freighters from Soviet Black Sea ports	4.3	1	3.3
Other	9.5	8	1.5

* Ships with drafts in excess of 25-1/2 feet cannot negotiate the channel to Haiphong, even at maximum high tide, without risk of grounding.

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

NORTH VIETNAM: Maritime Ports, Anchorages, and Shipping Channels



SECRET

SECRET

Figure 2

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

4. Of the nine Soviet dry cargo ships that arrived in July, five carried wheat flour from Vladivostok, two delivered general cargoes from Cambodia and a Soviet Black Sea port, and two arrived with little or no cargo to load fruit and coal. Three of the nine freighters were under time charter to North Vietnam. The single tanker delivered 10,600 tons of petroleum from the Black Sea. Eight Soviet ships departed from North Vietnam in July. Four freighters carried North Vietnamese exports: two sailed for Vladivostok with fruits, vegetables, and other general cargoes; one carried general cargo to Singapore, and one sailed under North Vietnamese charter with coal for Japan. A tanker and three freighters departed in ballast.

5. Five Chinese Communist ships called at North Vietnam in July, compared with an average of nearly 11 a month in the first half of 1967. All sailed to Haiphong from China, two with shipments of rice and three with miscellaneous and general cargoes. Seven Chinese ships departed from North Vietnam, all for China. Four carried coal and three sailed in ballast.

6. Two Eastern European ships, both under the Polish flag, called at North Vietnam in July. Their cargoes included vehicles, barges, machinery, chemicals, metal products, and small quantities of foodstuffs and petroleum, mostly from Eastern Europe. Shipments delivered by a cargo liner of the Polish Ocean Lines included nearly 500 tons from Western Europe, whereas the other ship, which was chartered to the Chinese-Polish Shipbrokers Company (Chipolbrok), had loaded all of its cargo at Eastern European ports. Two Eastern European ships departed from North Vietnam: a second Polish-flag ship chartered to Chipolbrok, which left in ballast for China, and an Albanian-flag ship of the Chinese-Albanian Shipping Company (Chalship), which sailed to Albania with a small amount of miscellaneous and general cargo.

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Free World Shipping

7. Five Free World ships called at North Vietnam in July. All were Hong Kong-owned British-flag ships under time charter to Communist China. They delivered petroleum, cement, and general cargoes from China. Four of the ships, including two freighters that carried 3,800 tons of petroleum in drums,* are owned by the Ocean Tramping Company, Ltd. Six Free World ships departed from North Vietnam in July. Two that were chartered to North Vietnam carried coal shipments totaling 18,000 tons to Japan. Four ships apparently sailed in ballast: two, including one tanker, to Hong Kong and two to China.

Cargoes

8. Identified seaborne imports delivered to North Vietnam on foreign ships in July totaled 72,000 tons, compared with an average monthly volume of 128,200 tons in the first half of this year. Imports of miscellaneous and general cargoes, fertilizer, and foodstuffs showed the largest declines from the levels of the first half of the year. No imports of arms or ammunition were detected.

9. Deliveries of miscellaneous and general cargoes from the USSR and Eastern European countries were particularly light in July, whereas shipments from Communist China were unusually heavy for the second consecutive month. A comparison of the distribution of miscellaneous and general cargo imported in July and the first six months of 1967 is tabulated below:

* British-flag ships owned by Hong Kong companies in the first seven months of 1967 carried 35,200 tons of petroleum from Communist China, an amount equivalent to about 22 percent of North Vietnam's seaborne petroleum imports in that period. All but 2,000 tons of the deliveries from China were carried by ships of the Ocean Tramping Company, Ltd., of Hong Kong, a firm believed to be under Chinese Communist control.

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Country of Origin	Thousand Metric Tons: July	Thousand Metric Tons: Monthly Average January-June
Total	28.1	44.8 a/
USSR	3.3	18.4
Eastern Europe	5.3	12.4
Communist China	18.9	12.0
North Korea	0.0	1.1
Free World	0.6	1.0

a. Because of rounding, components do not add to the total shown.

Soviet deliveries in July consisted largely of rolled steel, earth-moving equipment, autos, bicycles, and machinery. Chinese shipments included 2,000 tons of cement, the first large seaborne delivery of cement detected since airstrikes put the Haiphong cement plant out of operation in April.*

10. Seaborne imports of fertilizer in July totaled 2,800 tons, compared with average monthly volumes of 5,300 tons in May and June and 25,200 tons in the first four months of 1967. The low volume of fertilizer deliveries in the period May-July probably indicates a reduction in lower priority imports because of extreme congestion at Haiphong.

11. Imports of foodstuffs totaled 24,800 tons, the lowest volume since February 1967 but several times the average monthly volume of 1966. Food shipments consisted of 14,500 tons of Soviet wheat flour, 9,900 tons of rice from China, and nearly 400 tons of various other foodstuffs, mostly from Eastern Europe.

* Shipments of cement totaling about 600 tons apparently were carried from China by junks in May.

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

12. Deliveries of petroleum in July rose from the low reached in June to 14,700 tons, compared with an average monthly volume of 26,200 tons in the period January-May 1967. The July total consisted of 10,600 tons on a Soviet tanker, 3,800 tons in drums from China, and about 300 tons, also in containers, from Eastern Europe. The low level of seaborne petroleum imports in June and July was probably the result of full utilization of existing storage capacity. The principal indication of trouble is that tankers arriving at North Vietnam since late May have experienced exceptional delays in discharging.* Furthermore, there are indications that small tanker shipments from Vladivostok were canceled in both June and July, and a Soviet tanker with 10,700 tons of kerosene, apparently for North Vietnam, sailed to Communist China in June. No tankers called at North Vietnam in the period 2 July-18 August, but tanker shipments totaling about 11,000 tons arrived on 19 and 20 August.

13. Identified seaborne exports in July totaled 34,200 tons, the lowest volume in at least 31 months. No shipments of apatite, cement, or pig iron were detected. Coal exports increased slightly above those of June to 33,400 tons. Shipments from Hon Gay returned to normal for the first time since March 1967, but exports from Cam Pha, the principal coal port, declined for the sixth consecutive month.** The decline apparently

* The Soviet tanker Elbrus departed from Haiphong on 24 June, its 31st day in port, after discharging 10,800 tons of petroleum. The British tanker Taipieng, which left Haiphong on 28 July, had spent 33 days in port discharging a 7,000-ton shipment. The Soviet tanker Samarkand, which arrived on 1 July with 10,600 tons of petroleum, spent 48 days at Haiphong.

** From 62,600 tons in January, to 20,400 tons in July.

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

is due primarily to bomb damage to Cam Pha's coal washing and grading plant, although air-strikes against the Hon Gay powerplant and other facilities in the area may have contributed to the disruption. Seaborne coal exports in July went to Japan (22,000 tons) and Communist China (11,400 tons).

14. The volume of identified shipments of miscellaneous and general cargoes in July totaled only 800 tons, compared with an average of 8,900 tons in the first half of this year. These shipments consist largely of handicraft items and specialty foods whose principal markets are in Southeast Asia and Eastern Europe. The low volume of miscellaneous and general cargo exports can be attributed primarily to an exceptionally low number of ship departures from Haiphong in July.

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Table 1

North Vietnam: Foreign-Flag Ship Arrivals
January-July 1967

Flag	January	February	March	April	May	June	July	January-July Number	January-July Percent a/
Total	37	42	42	37	40	34	22	254	100.0
Communist countries	31	37	39	32	31	23	17	210	82.7
USSR	16	24	23	18	18	8	10	117	46.1
Eastern Europe	4	3	4	4	2	4	2	23	9.1
Albania						1		1	0.4
Bulgaria	2	1	1					4	1.6
Poland	2	2	3	4	2	3	2	18	7.1
Communist China	11	10	12	10	10	11	5	69	27.2
Cuba					1			1	0.4
Free World	6	5	3	5	9	11	5	44	17.3
Cyprus		1		1	1	1		4	1.6
Italy						1		1	0.4
Malta		1			1			2	0.8
United Kingdom	6	3	3	4	7	9	5	37	14.6

a. Because of rounding, components may not add to the totals shown.

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Table 2

North Vietnam: Tonnages of Foreign-Flag Ship Arrivals a/
June, July, and January-July 1967

Type of Ship and Flag	June		July		January-July	
	Number	Thousand Gross Register Tons	Number	Thousand Gross Register Tons	Number	Thousand Gross Register Tons
Total	34	183.9	22	90.8	254	1,226.0
Dry cargo	32	175.0	21	82.6	226	1,111.3
Tanker	2	9.0	1	8.2	28	114.7
Communist countries	23	126.5	17	71.0	210	1,019.1
USSR	8	51.9	10	43.9	117	578.8
Eastern Europe	4	31.4	2	11.8	23	177.2
Communist China	11	43.3	5	15.3	69	253.6
Cuba					1	9.5
Free World	11	57.4	5	19.8	44	207.0

a. The aggregate tonnage of ships calling is not necessarily correlative to the actual volume of cargoes moving into and out of North Vietnam, but these data are of value as indications of relative changes in the volume of shipping. Because of rounding, components may not add to the totals shown.

SECRET

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Table 3

North Vietnam: Identified Imports Carried by Foreign-Flag Ships a/
July 1967

Thousand Metric Tons

Flag	Commodity					
	Ammonium Sulfate and Other Fertilizers	Petroleum	Bulk Foodstuffs	Timber	Miscellaneous	Total
Total	2.8	14.7	24.8	1.6	28.1	72.0
Communist countries	2.8	10.9	24.8	1.6	16.1	56.1
USSR	2.8	10.6	14.7	1.6	3.4	33.1
Eastern Europe		0.3	0.2		5.7	6.2
Communist China b/			9.9		6.9	16.8
Free World	0	3.8	0	0	12.0 c/	15.8

a. Identified imports include some estimates of bulk cargoes, using methods which have proved to be highly reliable. Because of rounding, components may not add to the totals shown.
b. An additional unknown quantity of imports may have been carried by Chinese Communist ships.
c. Includes 2,000 tons of cement from Communist China.

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Table 4

North Vietnam: Identified Exports Carried by Foreign-Flag Ships a/
July 1967

Thousand Metric Tons

Flag	Commodity		
	Coal	Miscellaneous	Total b/
Total	33.4	0.8	34.2
Communist countries	15.4	0.8	16.2
USSR	4.0	0.8	4.8
Eastern Europe		Negl.	Negl.
Communist China c/	11.4		11.4
Free World	18.0	0	18.0

a. Identified exports include some estimates of bulk cargoes, using methods which have proved to be highly reliable.
b. No exports of apatite, cement, or pig iron were detected in July.
c. An additional unknown quantity of exports may have been carried by Chinese Communist ships.

SECRET

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

APPENDIX

Heavy losses have been inflicted on barge fleets since the inception of airstrikes over North Vietnam. Apparently because its own shipbuilding industry cannot make up the losses and also meet a growing demand for barges to handle substantially increased seaborne imports, North Vietnam has ordered about 200 barges from Communist countries for delivery in 1967. At least 90 had been delivered by the end of July,* as shown in the tabulation below:

Exporting Country	Deliveries Through July	Balance for 1967 Delivery
Rumania	38 a/	89
Poland	17 b/	8
North Korea	16	4
Communist China	16	0
USSR	3 c/	10
Total	90	111

a. Thirty of these barges had a capacity of 100 deadweight tons each; the capacities of the remaining eight are unknown.
b. These barges had a capacity of 200 deadweight tons each.
c. LCM-type craft used for lightering, each with a capacity of 41 deadweight tons.

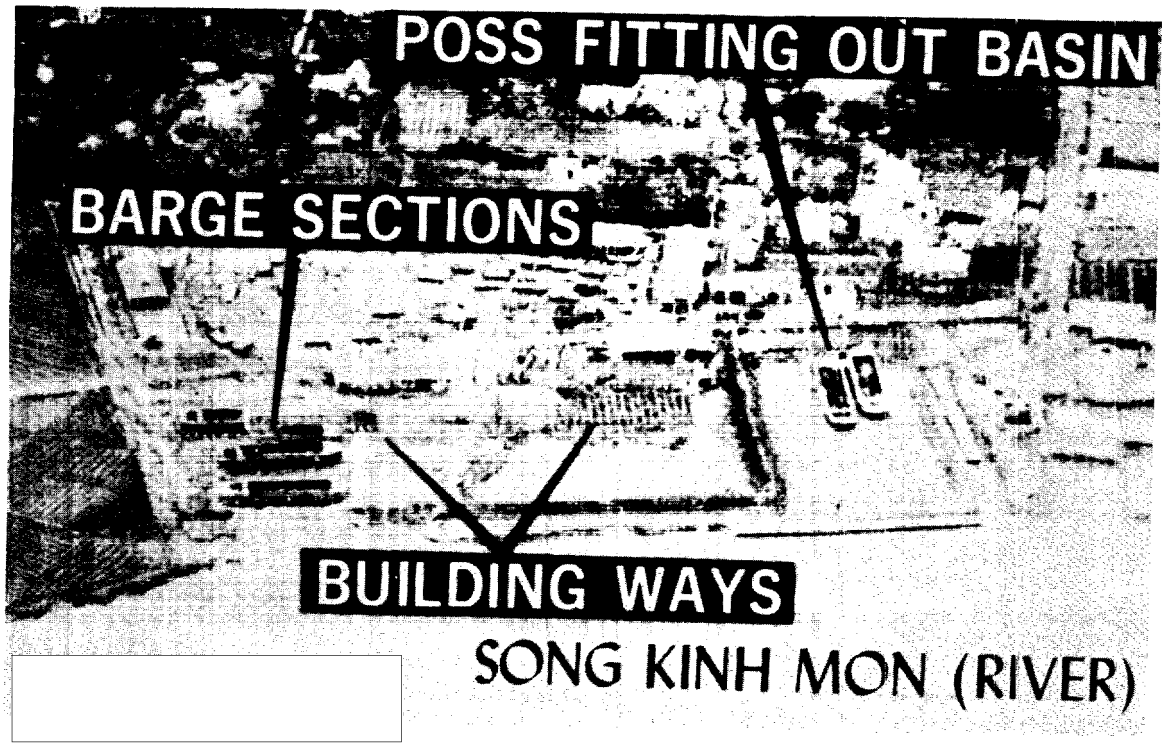
Except for 14 barges towed to North Vietnam from China, all of the lightering craft were delivered by freighters, most of them in prefabricated sections for assembly at boatyards near Haiphong (see the photographs).

* No imports of lighters were detected in 1966.

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

25X1



BARGE SECTIONS BEING ASSEMBLED AT THE CO PHUC BOATYARD (20 57N 106 32E)

25X1

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

25X1
Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Page Denied

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8

Secret

Secret

Approved For Release 2008/04/15 : CIA-RDP78T02095R000800070070-8